



210 N. Park Ave.  
Winter Park, FL  
32789

P.O. Drawer 200  
Winter Park, FL  
32790-0200

Tel: 407-740-8575  
Fax: 407-740-0613  
tmi@tminc.com

November 2, 2000  
***Via Overnight Delivery***

Mr. David Waddell  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37219-0412

**Re: Application of Lightyear Communications, Inc. for a Certificate to Provide Facilities-Based Local Exchange Telecommunications Services and Facilities-Based Long Distance Telecommunications Services**

Dear Mr. Waddell:

Enclosed for filing are the original and thirteen (13) copies of the above-referenced application of Lightyear Communications, Inc. ("Lightyear") for authority to provide facilities-based local and long distance telecommunications services in Tennessee. Also enclosed is our check in the amount of \$25.00 for the application filing fee.

The confidential proprietary financial statements of Lightyear Communications, Inc. are submitted under separate seal as part of this filing. Please handle in accordance with your established procedures for confidential material.

Please acknowledge receipt of this filing by returning, date-stamped, the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

Any questions regarding this filing may be directed to my attention at (407) 740-8575. Thank you for your assistance in this matter.

Sincerely,

Robin Norton  
Consultant to Lightyear Communications, Inc.

RN:mw  
Enclosure

cc: Linda Hunt - Lightyear  
Distribution of Service List  
file Lightyear - TN Local & IXC  
tms: TNL0000

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00-00996

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

In the Matter of )  
**Lightyear Communications, Inc.** )  
For a Certificate to Provide Facilities-Based )  
Interexchange Telecommunications Services and )  
Competing Local Exchange Telecommunications )  
Services )

TRA Docket No. 00-00996

**APPLICATION FOR AMENDED AUTHORITY TO PROVIDE FACILITIES-BASED LOCAL  
EXCHANGE TELECOMMUNICATIONS SERVICES AND FACILITIES-BASED LONG  
DISTANCE TELECOMMUNICATIONS SERVICES**

Pursuant to applicable Tennessee Statutes and the Rules and regulations of the Tennessee Regulatory Authority and Section 253 of the Federal Telecommunications Act of 1996 ("Act"), Lightyear Communications, Inc. ("Applicant" or "Lightyear") respectfully requests that the Tennessee Regulatory Authority ("TRA") grant Lightyear amended authority to provide facilities-based long distance telecommunications services and facilities-based local exchange telecommunications services, including exchange access telecommunications services, within the State of Tennessee.

*In support of its Application, Lightyear submits the following:*

**I. Administrative Requirements**

- A. Lightyear is willing and able to comply with all applicable rules and regulations in Tennessee pertaining to the provision of competing long distance and local exchange telecommunications services.
- B. Corporate name of service provider:  
Lightyear Communications, Inc.

**I. Administrative Requirements, (cont'd.)**

**C. Corporate address of service provider:**

1901 Eastpoint Parkway  
Louisville, Kentucky 40223  
Telephone: 502-244-6666  
Facsimile: 502-515-4138

All correspondence, notices, inquiries, and other communications regarding this Petition should be addressed to:

Robin Norton  
Technologies Management, Inc.  
210 Park Avenue North  
Winter Park, Florida 32789  
Telephone: (407) 740-8575  
Facsimile: (407) 740-0613

Contact name and address at the Company is:

Linda Hunt  
Manager of Regulatory Affairs  
Lightyear Communications, Inc.  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223  
Telephone: 502-244-6666, Ext. 1019  
Facsimile: 502-515-4138

**E. Corporate Principal Officers:**

The names and address of the Applicants corporate officers are listed in Exhibit A of this application.

**F. Principal Officers in Tennessee**

The Company does not have any employees in the state of Tennessee. Company operations will be managed centrally at the Louisville, Kentucky headquarters location.

**I. Administrative Requirements, (cont'd.)**

**G. Copy of Articles of Organization**

The Applicant, Lightyear Communications, Inc., was incorporated under the laws of the state of Kentucky as UniDial Incorporated on March 3, 1993. The Company subsequently changed its name to UniDial Communications, Inc. UniDial Communications, Inc. recently became Lightyear Communications, Inc. and received approval of its name change from the Tennessee Regulatory Authority on July 11, 2000 in Case No. 00-00483. Lightyear is a wholly owned subsidiary of Lightyear Holdings, Inc.

UniDial was granted authority to provide resold long distance services in Tennessee on July 13, 1995, in Case No. 95-02612. On January 12, 1999 the Company was granted authority to provide resold local exchange services in Case No. 98-00674.

A copy of Lightyear's Articles of Incorporation and amendments are provided in Exhibit B.

**H. Copy of license to do business in the state of Tennessee.**

A copy of Lightyear's Authority to transact business in the state of Tennessee is provided in Exhibit C.

**II. Managerial Requirements**

Lightyear is eminently qualified to provide facilities-based long distance and local exchange telecommunications services throughout Tennessee. Lightyear has an excellent senior management team, backed by experienced employees, who are competent in telephony engineering, operations and marketing. Attached hereto as Exhibit D is a list of names and biographies of Lightyear's senior management team.

### **III. Technical Requirements**

#### **A. Proposed network data**

1. Geographic area coverage: Lightyear proposes to expand its current authority to offer facilities based local exchange and facilities-based long distance service. Local exchange service will be offered throughout areas currently served by BellSouth and long distance service will be offered throughout the State of Tennessee.
2. The Company has deployed or plans to deploy twenty-six (26) switches in various states, and will also offer service based on an unbundled network element platform.
3. Lightyear is not planning to build any facilities or deploy any of its own switches in Tennessee. Instead it will lease lines, switches and interconnection (including the recombination of these elements into a complete service) from BellSouth.
4. Lightyear proposes to offer facilities-based local exchange telecommunications services to business customers throughout the state using unbundled network element platforms ("UNE-P"). Local Exchange Services include basic local service, PBX Trunk service, Direct Inward Dialing, Optional Calling Features and listing services. The company will offer this service in conjunction with resold interexchange toll services which the company is already authorized to provide in the state of Tennessee. In this proceeding, Lightyear is also seeking authority to offer its interexchange services over its own facilities.

Lightyear shall, either directly or through arrangements with its underlying carrier provide the following services: 1) access to 911 and E911 emergency service; 2) white page directory listings and directory assistance; 3) consumer access to and support for the Tennessee Relay Center in the same manner as the incumbent local exchange telephone companies; 4) free blocking service for 900/976 pay per call services in accordance with TRA policy; 5) Lifeline and Link-up services to qualifying citizens of the state; 6) educational discounts in existence as of June 6, 1995 TRA Rule 1220-4-8-.04.

### III. Technical Requirements, *cont'd.*

- B. Since all elements of the network, including lines, switches and interconnection are to be provided by BellSouth, Lightyear will rely on the engineers of BellSouth to construct and maintain its network services.
- C. There are no special Customer Premises Equipment (CPE) requirements that would not be compatible with an incumbent carrier. Since all elements of the network are to be provided by BellSouth, all elements and CPE, if any, will be compatible with the BellSouth network.
- D. Repair and Maintenance, Customer Service
  - 1. Lightyear understands the importance of effective customer service for local service consumers. Lightyear has a toll free customer service telephone number that is available with live operator response twenty-four (24) hours per day, seven (7) days per week. Local Service customers should call (877) 295-4200
  - 2. Lightyear's toll free telephone number for long distance customer inquiries, complaints and repair is (800) 393-7300. In addition, customers may contact the company in writing at the headquarters address. The toll-free number will be printed on the customers' monthly billing statements.
  - 3. The contact person responsible for and knowledgeable about the company's operations is:

Linda Hunt  
Manager of Regulatory Affairs  
Lightyear Communications, Inc.  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223  
Telephone: 502-244-6666, Ext. 1019  
Facsimile: 502-515-4138

#### **IV. Financial Requirements**

- A. Estimated cost of network, switches, and unbundled network elements (UNEs). Lightyear is not proposing to build a network or to deploy any switches in Tennessee, but will utilize unbundled network elements and UNE platforms leased from BellSouth. UNEs and UNE-Ps will be provisioned according to the interconnection agreement between BellSouth and Lightyear.
- B. Most recent audited financial statements  
Lightyear possesses the financial qualifications required to be a provider of facilities-based services in Tennessee. Petitioner has access to the financing and capital necessary to provide facilities-based local exchange and long distance services throughout Tennessee. In support of this Petition, attached hereto as Exhibit E-1, is a copy of the Company's most current audited financial statements.
- C. Projected financial Statements  
Please see Exhibit E-2
- D. Capital Expenditures Budget  
Not applicable as no construction is to be undertaken by Lightyear in Tennessee. The costs of Tennessee operations will consist of leasing UNE-P and additional administrative and sales overhead. Lightyear is already operating as an interexchange carrier in Tennessee and is operating as a facilities-based local exchange service provider in several states. The incremental administrative and sales costs are not projected to be significant for the Company. No new funds or capital will be required beyond that which have been already expended to expand the Company's facilities-based services in Tennessee.
- E. Reciprocal Compensation for terminating ISP traffic.  
Not applicable.
- F. Bond requirement  
The company has filed a \$20,000 bond as an interexchange reseller in the state of Tennessee.

**V. Small and Minority-Owned Telecommunications Business Participation Plan**

Please see Exhibit F.

**VI. TRA Rules for Local Telecommunications Providers**

The company provides evidence with this application that notice of the application has been served on the eighteen (18) incumbent local exchange companies in Tennessee. Please see Exhibit G.

**VII. Toll Dialing Parity Plan**

The company submits its Toll Dialing Parity Plan in Exhibit H.

**VIII. Numbering Issues**

1. What is your company's expected demand for NXXs per NPA within a year of approval of your application?

**None.**

2. How many NXXs do you estimate that you will request from NANPA when you establish your service footprint?

**None. As a UNE-P provider all orders will be provided through BellSouth.**

3. When and in what NPA do you expect to establish your service footprint?

**The company intends to offer local service in territory currently served by BellSouth.**

4. Will the company sequentially assign telephone numbers within NXXs?

**Not applicable.**

5. What measures does the company intend to take to conserve Tennessee numbering resources?

**The company will comply with resource conservation measures as per BellSouth procedures.**

6. When ordering new NXXs for growth, what percentage fill of an existing NXX does the company use to determine when a request for a new NXX will be initiated?

**Not applicable.**



**IX. Tennessee Specific Operational Issues**

1. How does the company intend to comply with TCA §65-21-114? In its description, please explain technically how the company will not bill for countywide calls within Tennessee.

**Initial routing will be based on wire center locations. Billing system tables will be based on originating and terminating number.**

2. Is the company aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures to enter your telephone numbers on the database?

**Upon certification, we will contact BellSouth to set up appropriate procedures to provide the required intra-county calls on a toll-free basis.**

3. How does your company intend to provide metro area toll-free calling ("MAC") around Memphis, Nashville, Knoxville and Chattanooga?

**The Company has not yet decided whether it will provide metro area toll-free calling.**

4. Is the company aware of the MAC database maintained by BellSouth and the procedures to enter your telephone numbers on the database?

**If the Company decides to offer metro area toll-free calling, it will, upon certification, contact BellSouth to set up the appropriate procedures**

5. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA in resolving customer complaints.

**Sarah Blackwell, Regulatory Affairs Assistant (502) 244-6666 Ext. 1035**

**IX. Tennessee Specific Operational Issues, *cont'd.***

6. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in TCA §65-4-401 et seq. and Chapter 1220-4-11?

**In addition to its own direct sales force, Lightyear has contracts with independent agents, some of whom utilize telemarketing. The Company and its agents are familiar with the telemarketing statutes and regulations found in TCA §65-4-401 et seq. and Chapter 1220-4-11.**

**X. Miscellaneous**

- A. Sworn pre-filed testimony is provided in Exhibit I.
- B. Upon certification and prior to commencing service, Lightyear will file a proposed tariff for its facilities-based long distance and local exchange offerings (containing rates along with terms, and conditions of service) with the Commission.

- C. Status of Lightyear in other states.

Lightyear Communications, Inc. is certificated nationwide, except Alaska, for long distance service.

The states in which Lightyear is authorized to offer local exchange service are: Alabama, California, Delaware, Florida, Georgia, Kentucky, Illinois, Indiana, Louisiana, Michigan, Mississippi, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Vermont, Virginia, Washington DC, West Virginia, and Wisconsin. The Company is in the process of requesting expanded authority to provide local exchange services on a facilities-basis nationwide. Petitioner has demonstrated the ability to implement new services and to work with other carriers to provide high quality, economical products for telecommunication customers.

- D. Lightyear is not currently involved in any mergers or acquisitions.

**X. Miscellaneous, *cont'd.***

E. The Company may, in order to safeguard its interests, require a Customer which has a proven history of late payments to the Company or does not have established credit or has a bad credit rating to make a deposit prior to or at any time after the provision of service to the Customer to be held by the Company as a guarantee of the payment of rates and charges. No such deposit will be required of a Customer which has established satisfactory credit and has no history of late payments to the Company.

F. Complaints filed with state and federal regulatory agencies.

The Company has had only one formal complaint, which was filed in Georgia, within the last five years. The complaint involved the billing of long distance charges for interLATA, intracounty calls that should have been toll-free. Since that time, Lightyear has obtained the BellSouth TAR Files which identify the interLATA, intracounty originating and terminating NXXs, and can therefore delete those calls from its toll billing. The Georgia complaint has been resolved and Lightyear anticipates no further problems with the identification of interLATA, intracounty calls.

G. Proposed Service Area

Lightyear proposes to expand its current authority to offer facilities based local exchange and facilities-based long distance service. Local exchange service will be offered within the present operating areas of BellSouth within Tennessee and long distance service will be offered throughout the state of Tennessee.

## **XI. Public Interest**

Grant of Lightyear's Application to provide facilities-based local exchange services is in the public interest and serves the public convenience and necessity. In enacting the Federal Telecommunications Act of 1996, the United States Congress determined that it is in the public interest to promote competition in the provision of telecommunications services, including local exchange services. Experience with competition in other telecommunications markets, such as long distance, competitive access, and customer premises equipment, demonstrates the benefits that competition can bring to consumers. Consumers are enjoying increased services, lower prices, higher quality, and greater reliability. This is true not only with respect to the service offerings of the new entrants, but also as a result of the response of incumbent monopoly providers to the introduction of competition.

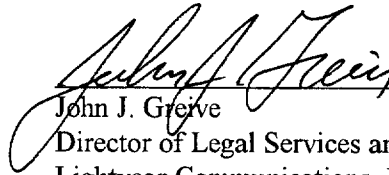
Lightyear's proposed services will provide multiple public benefits by increasing the competitive choices available to users in Tennessee. Enhanced competition in telecommunications services likely will further stimulate economic development in Tennessee. In addition, increased competition will create incentives for all carriers to offer lower prices, more innovative services, and more responsive customer service.

## **XII. Statement of Compliance**

Lightyear agrees to abide by TCA §65-4-201 and all applicable state statutes and all applicable Orders, Rules and Regulations entered and adopted by the Tennessee Regulatory Authority.

WHEREFORE, Lightyear Communications, Inc. respectfully requests that the Commission enter an Order granting Lightyear's Application for a Certificate to Provide Competing Long Distance and Local Telecommunications Services throughout the State of Tennessee.

Respectfully submitted,

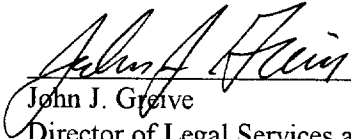


\_\_\_\_\_  
John J. Greive  
Director of Legal Services and General Counsel  
Lightyear Communications, Inc.  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223  
Telephone: (502) 244-6666  
Facsimile: (502) 515-4138

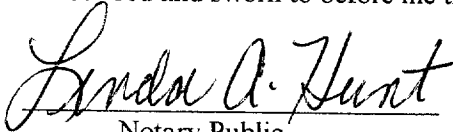
## VERIFICATION

Commonwealth of Kentucky   )  
  ): SS  
County of Jefferson            )

I, John J. Greive, hereby declare under penalty of perjury, that I am the Director of Legal Services and General Counsel of Lightyear Communications, Inc., the Petitioner in this proceeding; that I am authorized to make this verification on behalf of Lightyear Communications, Inc.; that I have read the foregoing Petition and exhibits; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
John J. Greive  
Director of Legal Services and General Counsel  
Lightyear Communications, Inc.

Subscribed and sworn to before me this 21<sup>st</sup> day of October, 2000.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

## **EXHIBITS**

Exhibit A	Corporate Officers and Directors
Exhibit B	Articles of Incorporation
Exhibit C	Certificate of Authority
Exhibit D	Management Profiles
Exhibit E-1	Current Financial Statements
Exhibit E-2	Projected Financial Statements
Exhibit F	Small & Minority-Owned Telecommunications Business Participation Plan
Exhibit G	Notice of Filing
Exhibit H	Toll Dialing Parity Plan
Exhibit I	Prefiled Testimony

## **Exhibit A**

Corporate Officers and Directors



**LIGHTYEAR COMMUNICATIONS, INC.**  
**Officers and Directors**

The following individuals serve as officers and directors of Lightyear Communications, Inc. and may be reached through the company's corporate office at 1901 Eastpoint Parkway, Louisville, Kentucky 40223.

**Directors**

J. Sherman Henderson, III  
S. Andrew McKay  
Henry C. Hirsch  
George Wislar  
Roy A. Wilkens  
Stuart Conrad  
Larry Littlefield

**Officers**

J. Sherman Henderson, III	- President and Chief Executive Officer
S. Andrew McKay	- Chief Financial Officer
Doug Webb	- Senior Vice President of Finance and Administration
John E.(Jack) Roth	- Chief Operating Officer
Edward J. Wampler	- Senior Vice President of Operations
Chuck Greenwalt	- Vice President of Corporate Telecommunications
Elaine Bush	- Vice President of Finance
Al Smith	- Senior Vice President of Information Services
G. Henry Hunt	- Senior Vice President of Lightyear Communications
Lee Wilson	- Senior Vice President of Network Marketing Services
Stuart Johnson	- Vice President of Sales
Kevin Shady	- Vice President of Network Development
Fran White	- Vice President of Human Resources
Bruce Widener	- Senior Vice President of Lightyear Direct/Data
Steve Seier	- Senior Vice President
John Nierzwicki	- Vice President of Sales
Don Shurbet	- Vice President of Operations
Patty Rabe	- Vice President of Financial Services
Michael Johnson	- Chief Technology Officer and Vice President of Network

**Legal Counsel**

John J. Greive	- Director of Legal Services and General Counsel
----------------	--

**Exhibit B**

Articles of Incorporation

0312251.09

ARTICLES OF AMENDMENT  
TO THE ARTICLES OF INCORPORATION  
OF  
UNIDIAL COMMUNICATIONS, INC.

John Y. Brown III  
Secretary of State

1. The name of the Corporation is UniDial Communications, Inc.

Received and Filed  
05/04/2000 10:57 AM

2. The Articles of Incorporation of the Corporation are hereby amended by striking the existing Article 1 and by substituting a new Article 1 to read in its entirety as follows:

Fee Receipt: \$40.00

1. The name of the Corporation is Lightyear Communications, Inc.

speny.-PAOA

3. The amendment does not provide for an exchange, reclassification or cancellation of issued shares of the Corporation.

4. These Articles of Amendment were adopted by the Board of Directors of the Corporation by unanimous written consent on April 25, 2000. The Corporation has 1000 shares of common stock that are issued, outstanding and entitled to vote on the amendment. The amendment set forth above was adopted by a written consent dated April 25, 2000, executed by the Corporation's sole shareholder, representing in excess of the 80% of the outstanding shares of common stock of the Corporation required to amend the Articles of Incorporation, as provided for in Article VIII of the Corporation's Articles of Incorporation.

Signed on April 25, 2000.

UNIDIAL COMMUNICATIONS, INC.

*J. Sherman Henderson III*

J. Sherman Henderson III, President and  
Chief Executive Officer

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Total Fees: 9.00  
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County Clerk: Bobbie Holsclaw-JEFF CO KY  
Deputy Clerk: TIFSTE

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ARTICLES OF AMENDMENT  
TO THE  
ARTICLES OF INCORPORATION  
OF  
UNIDIAL INCORPORATED

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STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO  
J. Andrew McKay

1. The name of the corporation is UniDial Incorporated (the "Corporation").
2. Article I of the Corporation's Articles of Incorporation is amended so that as amended (the "Amendment") it shall read in its entirety as follows:  
  
The name of the corporation shall be UniDial Communications, Inc.
3. The Amendment does not provide for an exchange, reclassification or cancellation of issued shares of the Corporation.
4. These Articles of Amendment were adopted by the Board of Directors of the Corporation by unanimous written consent on March 2, 1998. The Corporation has 880 shares of common stock that are issued, outstanding and entitled to vote on the Amendment. The Corporation also has 9.1 shares of Series A Convertible Preferred Stock and 60 shares of Series B Convertible Preferred Stock issued and outstanding that are not entitled to vote on the Amendment. The Amendment set forth above was adopted by a written consent dated March 2, 1998, executed by shareholders representing at least 80% of the outstanding shares of common stock of the Corporation, as provided for in Article VIII of the Corporation's Articles of Incorporation.

UNIDIAL INCORPORATED

By

Title:

Chief Operating Officer

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ARTICLES OF AMENDMENT TO THE  
ARTICLES OF INCORPORATION OF UNIDIAL INCORPORATED

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Rebecca Jackson, Clerk

1. The name of the Corporation is UniDial Incorporated (the "Corporation").
2. Article III of the Corporation's Articles of Incorporation is amended so that, as amended, it shall read in its entirety as follows (the "Amendment"):

ARTICLE III

(a) Authorized Capital Stock. The aggregate number of shares the Corporation shall have authority to issue shall be 2,500 shares, divided into: (a) 2,000 shares of Common Stock, no par value (the "Common Stock"); and (b) 500 shares of Preferred Stock ("Preferred Stock") with such preferences, limitations and relative rights as may be determined by the Board of Directors pursuant to Article III(b), and which may be divided into and issued in series.

(b) Relative Rights and Preferences. The preferences, limitations and relative rights of the shares of Common Stock and the shares of Preferred Stock shall be as follows:

1. Common Stock. Each outstanding share of Common Stock shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders. The Common Stock shall be subject to the provisions of Article III and the provisions of any resolution or resolutions validly adopted by the Board of Directors in exercise of the authority expressly vested in the Board of Directors by this Article III.

2. Preferred Stock. The Board of Directors may determine, in whole or in part, the preferences, limitations, and relative rights of the Preferred Stock, or one or more series of Preferred Stock, before the issuance of any such shares, which preferences, limitations and relative rights shall be specified in a subsequent amendment to these Articles of Incorporation adopted by the Board of Directors and may include, without limitation:

(A) Special, conditional, or limited voting rights, or no right to vote (except to the extent prohibited by law);

(B) Shares of Preferred Stock that are redeemable or convertible (i) at the option of the Corporation, the shareholder or another person or upon the occurrence of a designated event; (ii) for cash, indebtedness, securities, or other property; or (iii) in a designated amount or in an amount determined in accordance with a designated formula or by reference to extrinsic data or events;

- (C) Provisions entitling the holders to distributions calculated in any manner, including dividends that may be cumulative, noncumulative, or partially cumulative;
- (D) Preferences over any other class of shares with respect to distributions, including dividends and distributions upon the dissolution of the corporation; and
- (E) Other preferences, limitations, or relative rights not prohibited by law.

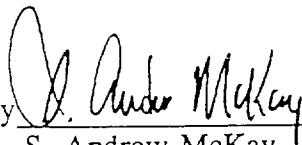
3. The Amendment does not provide for an exchange, reclassification or cancellation of the Corporation's shares.

4. The Amendment was adopted on November 25, 1997, upon recommendation of the Amendment to the Corporation's shareholders by the Corporation's board of directors and approval of the Amendment by a written consent of shareholders holding at least 80% of the votes entitled to be cast by the shareholders on any matter, pursuant to KRS 271B.7-040(2) and Article VIII of the Corporation's Articles of Incorporation.

5. The Corporation has 880 shares outstanding of a single class of Common Stock, all of which were entitled to be cast for the Amendment and of which 710 shares were cast for the Amendment through a written consent of shareholders, which amount of shares was sufficient for approval by that class of Common Stock; no shares were cast against the Amendment.

Dated November 25, 1997

UNIDIAL INCORPORATED

By   
S. Andrew McKay  
Chief Operating Officer

ARTICLES OF AMENDMENT  
TO THE  
ARTICLES OF INCORPORATION  
OF  
UNIDIAL INCORPORATED

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BOB BARRAGE  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY  
*Bob Barrage*

1. The name of the corporation is UniDial Incorporated (the "Corporation").

2. Articles IV and V of the Corporation's Articles of Incorporation are amended so that, as amended, they shall read in their entirety as follows (the "Amendment"):

ARTICLE IV

The street address of the corporation's registered office is 12910 Shelbyville Road, Suite 211, Louisville, Kentucky 40243, and the name of the corporation's registered agent at that office is Finley J. Garvin.

ARTICLE V

The mailing address of the corporation's principal office is 12910 Shelbyville Road, Suite 211, Louisville, Kentucky 40243.

3. The Amendment does not provide for an exchange, reclassification or cancellation of the Corporation's shares.

4. The Amendment was adopted on October 22, 1993, upon recommendation of the Amendment to the Corporation's shareholders by the Corporation's board of directors and approval of the Amendment by a written consent of all shareholders.

5. The Corporation has 700 shares outstanding of a single class, all of which were entitled to be cast and were indisputably represented and cast for the Amendment; no shares were cast against the Amendment.

Dated October 22, 1993

UNIDIAL INCORPORATED

By *Finley J. Garvin*

Finley J. Garvin,  
Chairman of the Board of  
Directors and

Chief Executive Officer

BOOK 458 PAGE 390

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Recorded On: Nov 22, 1993 03:08:56 P.M.

Total Fees: \$5.50

County Clerk: Rebecca Jackson

Deputy Clerk: STACIE2

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JULY 10, 1995

MAR - 9 1995

Articles of Incorporation  
Of  
UniDial Incorporated

RECEIVED

50.00

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*[Signature]*

Subscribed in front of me  
BY ST U.C.

The undersigned hereby forms a corporation under the provisions of Chapter 271B of the Kentucky Revised Statutes, and adopts the following Articles of Incorporation of UniDial Incorporated.

ARTICLE I

The name of the corporation is UniDial Incorporated.

ARTICLE II

The purpose for which the corporation is organized is for the transaction of any and all lawful business for which corporations may be incorporated under KRS Chapter 271B.

ARTICLE III

(a) The only class of shares the corporation is authorized to issue is One Thousand, (1,000) shares of common stock, no par value, designated as Common Stock.

(b) The Common Stock shall have voting rights to the extent of one vote for each share of stock issued, which voting rights are otherwise unlimited.

(c) The Common Stock entitles the holder(s) thereof to receive the net assets of the corporation upon dissolution in proportions authorized by law.

ARTICLE IV

The street address of the corporation's initial registered office is 310 Evergreen Road, Suite 102, Louisville, KY 40243, and the name of the corporation's initial registered agent at that office is Finley J. Garvin.

ARTICLE V

The mailing address of the corporation's principal office is 310 Evergreen Road, Suite 102, Louisville, KY 40243.



#### ARTICLE VI

The name and mailing address of the incorporator is:

Wm. Stephen Reisz  
136 St. Matthews Ave  
Louisville, KY 40207

#### ARTICLE VII

The name and mailing address of the individuals who shall serve as the initial directors of the corporation are:

Finley J. Garvin  
310 Evergreen Rd, Suite 102  
Louisville, KY 40243

J. Sherman Henderson, III  
310 Evergreen Rd., Suite 102  
Louisville, KY 40243

#### ARTICLE VIII

Any action required or permitted to be taken at a meeting of the shareholders of the corporation may be taken without a meeting if written consent setting forth the action so taken is signed by all of the shareholders entitled to vote on the action. It is provided, however, that except as to election of directors under KRS 271B.7-280, any action to be taken at a shareholder's meeting may be taken without a meeting if at least eighty percent (80%) of the shareholders entitled to vote on the action consent in writing to such action and prompt written notice of the taking of the action by the shareholders without a meeting (if less than unanimous) is given to the shareholders entitled to vote on the action who have not consented in writing.

#### ARTICLE IX

A special meeting of shareholders may be called by such person or persons authorized to do so by the bylaws of the corporation. Shareholders holding at least fifty-one percent (51%), but no less, of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting, may call a special meeting of shareholders, by signing, dating and delivering to the corporation's secretary, one or more written demands for the meeting describing the purpose or purposes for which it is to be held.

#### ARTICLE X

The director of the corporation shall not be personally liable to the corporation or its shareholders for monetary damages for breach of his duties as a director, provided that such provision shall not eliminate or limit the liability of a director:

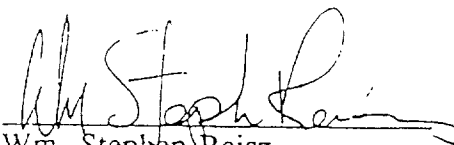
(a) For any transaction in which the director's personal financial interest is in conflict with the financial interests of the corporation or its shareholders;

(b) For act or omissions not in good faith or which involve intentional misconduct or are known to the director to be a violation of the law;

(c) For any vote for or assent to any unlawful distribution to shareholders prohibited under KRS 271B.8-330; or

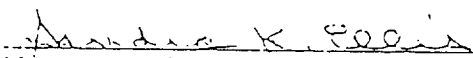
(d) For any transaction from which the director derived an improper personal benefit.

This document is executed by the above-named incorporator this 23 day of February, 1993.

  
Wm. Stephen Reisz

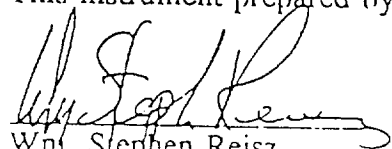
STATE OF KENTUCKY )  
 )  
COUNTY OF JEFFERSON )

Subscribed, sworn to and acknowledged before me this 23<sup>rd</sup> day of February, 1993 by Wm. Stephen Reisz.

  
Notary Public, State at Large, Kentucky

My Commission Expires: 10/2/94

This instrument prepared by:

  
Wm. Stephen Reisz  
Kruger & Schwartz  
136 St. Matthew Avenue  
Louisville, KY 40207  
(502) 896-0099

**Exhibit C**

Certificate of Authority to Transact Business in the State of Tennessee

# Secretary of State

## Corporations Section

Polk Building, Suite 1800  
Nashville, Tennessee 37243-0306

DATE: 05/31/00  
REQUEST NUMBER: 3919-1025  
TELEPHONE CONTACT: (615) 741-2286  
FILE DATE/TIME: 05/30/00 1439  
EFFECTIVE DATE/TIME: 05/30/00 1630  
CONTROL NUMBER: 0269742

T CORP SYSTEM  
10 CAREW TOWER

CINCINNATI, OH 45202

EIGHTYEAR COMMUNICATIONS, INC.  
APPLICATION FOR AMENDED CERTIFICATE OF  
AUTHORITY - FOR PROFIT

THIS OFFICE WILL ACKNOWLEDGE THE FILING OF THE ATTACHED DOCUMENT WITH AN  
EFFECTIVE DATE AS INDICATED ABOVE.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR  
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

RE: APPLICATION FOR AMENDED CERTIFICATE OF  
AUTHORITY - FOR PROFIT

ON DATE: 05/31/00

FROM:  
T CORPORATION SYSTEM (CINCINNATI, OH.)  
10 CAREW TOWER

RECEIVED: FEES \$20.00 \$0.00  
TOTAL PAYMENT RECEIVED: \$20.00

CINCINNATI, OH 45202-0000

RECEIPT NUMBER: 00002694461  
ACCOUNT NUMBER: 00000019



*Riley C. Darnell*

SECRETARY OF STATE - RILEY C. DARNELL

# APPLICATION FOR AMENDED CERTIFICATE OF AUTHORITY

20

UniDial Communications, Inc.

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of Section 48-25-104 of the Tennessee Business Corporation Act, the undersigned corporation hereby applies for an amended certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the corporation is Lightyear Communications, Inc.

If different, the name under which the certificate of authority is to be obtained is \_\_\_\_\_

2. The state or country under whose law it is incorporated is Kentucky

3. The date of its incorporation is March 5, 1993 (must be month, day, and year), and the period of duration, if other than perpetual, is \_\_\_\_\_

4. The complete street address (including zip code) of its principal office is \_\_\_\_\_

1901 Eastpoint Parkway, Louisville, Kentucky 40223

Street	City	State/Country	Zip Code
--------	------	---------------	----------

5. The complete street address (including the county and the zip code) of its registered office in Tennessee is c/o C T Corporation System, 530 Gay Street, Knoxville, Tennessee, County of Knox 37902

Street	City/State	County	Zip Code
--------	------------	--------	----------

The name of its registered agent at that office is C T Corporation System

6. The names and complete business addresses (including zip code) of its current officers are: (Attach separate sheet if necessary.)

J. Sherman Henderson III, 1901 Eastpoint Parkway, Louisville, Kentucky 40223, President and Chief Executive Officer

S. Andrew McKay, 1901 Eastpoint Parkway, Louisville, Kentucky 40223, Chief Financial Officer

T. Douglas Webb, 1901 Eastpoint Parkway, Louisville, Kentucky 40223, Senior Vice President

John Greive, 1901 Eastpoint Parkway, Louisville, Kentucky 40223, Secretary

3312 1026  
Appendix to Tennessee  
Application for Amended Certificate of Authority

**Directors of  
Lightyear Communications, Inc.**

---

1. J. Sherman Henderson III  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223
2. J. Donald Nichols  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223
3. S. Andrew McKay  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223
4. Finley J. Garvin  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223
5. George Wislar  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223
6. Roy A. Wilkens  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223



**John Y. Brown III**  
**Secretary of State**  
**Certificate of Existence**

I, JOHN Y. BROWN III, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

**LIGHTYEAR COMMUNICATIONS, INC.**

is a corporation duly organized and existing under KRS Chapter 271B, whose date of incorporation is March 5, 1993 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that articles of dissolution have not been filed; and that the most recent annual report required by KRS 271B.16-220 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 18<sup>th</sup> day of May, 2000.

*John Y. Brown, III*

JOHN Y. BROWN III  
Secretary of State  
Commonwealth of Kentucky

llawrence/0312251

## **Exhibit D**

### Management Profiles



**LIGHTYEAR COMMUNICATIONS, INC.**  
**TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL**

**J. Sherman Henderson, III, President and Chief Executive Officer**

Mr. Henderson has over twenty-five years of business experience, including sales, marketing and management. Mr. Henderson was instrumental in the growth and success of Charter Network, a long distance carrier serving five Midwestern states. He was associated with Charter from 1986 until its sale to Litel in 1990. Under Mr. Henderson's guidance, Charter grew from \$9 million in annual revenues to \$50 million in four years. Directly prior to founding Lightyear, he served as an officer for Turbo Consulting Enterprises, Inc. located in Louisville, Kentucky, which provides a wide range of consulting services to the telecommunications industry. Mr. Henderson is a graduate of Florida State University, with a B.A. degree in Business Administration. Mr. Henderson currently serves as Chairman of the Telecommunications Resellers Association.

**Andy McKay, Chief Financial Officer**

Andy McKay, Chief Financial Officer, joined Lightyear Communications in April 1996, after spending 14 years practicing corporate and finance law with an Atlanta-based law firm. He represented both institutional and corporate clients, including Charter Network, and his firm was very active in national and local telecommunications matters. As CFO at Lightyear, McKay supervises all areas involving Lightyear's overall fiscal health, including Finance and Administration, Lightyear's regulatory affairs, legal operations and network development. He received a B.S. in Systems Engineering from Georgia Tech, and honors from the University of Georgia School of Law. McKay is a member of the Georgia Bar Association, and holds a CPA certificate from the State of Illinois.

**Doug Webb, Senior Vice President of Finance & Administration**

Doug Webb, Senior Vice President of Finance and Administration, joined Lightyear Communications in November 1996, after serving as Vice President of Finance/Administration and CFO for Res-Care, Incorporated. Webb played a major role in the Initial Public Offering for Res-Care in 1992. His additional experience includes serving as Division Controller, Regional Controller, and finally Corporate Controller for Dairymen, Incorporated, a \$1 billion dollar-per-year marketing cooperative. At Lightyear, Webb is responsible for financial reporting, commissions, Lightyear Travel, Facilities, Lightyear's Financial Billing Center, Pricing, Collections, Training and Human Resources. He received his B.S. in Accounting from Tennessee Technological University and is a Certified Public Accountant.

**LIGHTYEAR COMMUNICATIONS, INC.**  
**TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL, (Cont'd)**

**John E. (Jack) Roth, Jr., Chief Operating Officer**

As Chief Operating Officer, Roth sits at the strategic helm of the organization, handling management and financial reporting for the entire company. His direct reports include the leaders of Lightyear's Sales & Marketing Staff, Lightyear's Local Service Operating Division, Network Marketing Services, Operations and Information Systems. Jack Roth joined Lightyear in March 1997 after a career as an entrepreneur and leader in the telecom industry. At Bell South, he served as Senior Vice President of Planning and Development and Director of Business Development, Mergers and Acquisitions. Prior to BellSouth, Roth began Integrated Communications Systems, a telecommunications software company. His company was later acquired by BellSouth as a marketing subsidiary and renamed Bell Information Networks, Inc. where he was President. Roth earned his B.A. in Architecture, B.S. in Industrial Administration and Masters in Architecture and Computer Science from Carnegie-Mellon University. He also has a strong community involvement with the United Way, Cystic Fibrosis and various special interest groups for the homeless and hungry. He sits on the board of the Louisville Ballet.

**Edward J. Wampler, Senior Vice President of Operations**

Edward J. Wampler, Senior Vice President of Operations, has played a critical role in Lightyear's Operations Department from the company's beginnings in 1993. He previously served as Operations Manager for Charter Network, where he directed marketing projects, implemented productivity reporting, created standard operations manuals, instituted performance standards, and was responsible for developing Charters customer service and order processing departments. Wampler also served as the manager for LCI International's customer service division after Charter Network was purchased. His Lightyear responsibilities include overseeing many facets of Lightyear's Operations, which include the Customer Service and Order Provisioning Divisions. Wampler received a B.A. in Economics from the University of Louisville.

**Chuck Greenwalt, Vice President of Corporate Telecommunications**

When Chuck Greenwalt joined Lightyear's Operations team in 1994, he brought a wealth of technical expertise with him. Today, he has parlayed that experience into a position as Vice President of Operations, serving as second in command over the company's entire customer service, billing, special accounts, SMS and dedicated departments. As an Electronic Engineering Technology graduate of Colorado Technical College in Colorado Springs, Greenwalt has spent his career in technical communication, doing everything from teaching electronics and Central Office Equipment, to controlling satellites as a crew chief for the Air Force. He is certified as an installer and designer of PBX, Harris, Mitel, Key Systems and Data Circuits, and has traveled the nation orchestrating dozens of system installations for Lightyear customers.

**LIGHTYEAR COMMUNICATIONS, INC.**  
**TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL, (Cont'd)**

**Elaine G. Bush, Vice President of Finance**

Elaine G. Bush began her career with Lightyear in 1996 as Controller. She has since moved up to head the company's finance department as Vice President of Finance, where she supervises the company's financial reporting, commissions, Financial Billing Center, pricing and Collections. Before coming to Lightyear, Bush operated her own accounting consultancy, JG Enterprises, where she worked to set up accounting systems for Lightyear, her biggest client. Her background in accounting management is quite diverse, with her career spanning positions as Controller at Centran Corporation, Manager of Accounting Operations for Entrade Corporation, and Accounting Supervisor of NTS Corporation. She received her B.S. in Accounting at the University of Louisville and is a Certified Public Accountant.

**Al Smith, Senior Vice President of Information Services**

Al Smith, Lightyear's Senior Vice President of Information Services, has a long and varied history in the Information Management field. Smith comes to Lightyear from the accounting firm Eskew & Gresham, where he served as manager of systems consulting. Smith began his systems career in the Army as a finance and data processing officer. He worked for much of his career in the Maryland college system, where he served as a professor of business and data processing, academic dean and director of data processing. He also was proprietor of his own computer consulting firm, Smith Associates in La Plata, Md. As Senior Vice President of Information Systems, Smith manages and maintains existing systems, and creates new standard operating procedures for the company's critical role as the company continues to grow its customer service operations. Smith holds a Bachelor of Science in Accounting and Management from Murray State University and a Master of Science in Financial Management from George Washington University.

**G. Henry Hunt, Senior Vice President of Lightyear Communications**

G. Henry Hunt joined Lightyear in 1996, and currently is responsible for Lightyear's Agent program including recruitment, sales support, marketing and product development. Hunt previously served as Lightyear's Director of Strategic Planning and Vice President of Marketing. Before joining Lightyear, he was President of Babcock-Rickert Advertising; worked in Marketing with Chi-Chi's, Restaurants Inc; and served as a consultant for national retail, product, and business-to-business marketing companies. Since joining Lightyear, Hunt has made significant contributions in Agency recruitment, product marketing, business planning and systems development. Hunt is a graduate of the University of Kentucky School of Journalism with additional study in Marketing.

**LIGHTYEAR COMMUNICATIONS, INC.**  
**TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL, (Cont'd)**

**Lee Wilson, Senior Vice President of Network Marketing Services**

Lee Wilson is Senior Vice President of Network Marketing Services, one of Lightyear's fastest growing divisions. Network Marketing Services provides private label telecom products and services to multi-level marketing companies such as USANA, Nutrition for Life, and more. Prior to joining Lightyear Communications in December 1994, Wilson was a Sub-Agent for one of Lightyear's most successful West coast Agents. He also served as Division Sales Manager at Boise Cascade Corporation. Wilson's extensive background in sales and sales management assisted him in overseeing the opening of Lightyear's Western Regional Office in Newport Beach, California, in July 1995, where he is still located. At Lightyear, Wilson is responsible overseeing all service and support of Network Marketing accounts. He received his B.A. in Business Administration at California State University, Fullerton.

**Stuart Johnson, Vice President of Sales**

A seasoned veteran telecom salesperson, Stuart Johnson joined Lightyear in May 1997 as Regional Manager and has since moved up to the position of Vice President of Sales. His primary responsibility is supervising Lightyear's Authorized Agents coast to coast and helping them to grow their businesses. His team of Territory Managers visits Agents personally, assisting with major sales initiatives and helping Agents manage their business Operations through the IMPACT system. He came to Lightyear from Quality Communications of Louisville, Ky., where he served as Director of Sales. Previously he worked as Regional Sales Manager for LCI International, and has held numerous sales and marketing positions for companies such as Philip Morris USA, Americare Corp and Advest, Inc., to name a few. He received his B.S.B.A. in Finance from Ohio State University.

**Kevin Shady, Vice President, Network Development**

Kevin Shady joined Lightyear in May 1994 as Product Manager, and worked his way up through many positions to become Vice President of Network Development. In this capacity, he works with Lightyear's vendor partners to negotiate product packages and evaluate network capacity. His areas of responsibility include Long Distance, Local and Data/Internet Services, as well as negotiating wholesale contracts with potential Agents and CLEC Management. He came to Lightyear from Brown & Williamson, where he worked in a wide variety of sales and marketing positions. Before entering the marketing field, he was an on-air correspondent at television stations in the Evansville, Ind., market. Shady earned his M.B.A. from Indiana University.

**LIGHTYEAR COMMUNICATIONS, INC.**  
**TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL, (Cont'd)**

**Fran White, Vice President of Human Resources**

Fran White joined Lightyear in 1998, bringing to her position more than 23 years of management experience in Human Resources. In her position at Lightyear she oversees a large human resources staff responsible for recruiting, benefits for more than 500 employees coast to coast. In 1999, she will organize an initiative which will raise Lightyear's employee base to more than 800 people in more than 13 offices nationwide. Before coming to Lightyear, White served as Manager, Director or Vice President of Human Resources at several major companies, including Management and Technology Solutions, Medecon Services, Inc., Presbyterian Church, Commonwealth Insurance Company, Louisville Cement Company and the Kentucky State Employment Service. She has received professional training and certification in Benefit Issues, Salary Administration, Compensation Plan Design and Mediation. She is a member of the Louisville Society for Human Resource management, the Louisville Employee Benefit Council and the Louisville Compensation Association. On the community side, she serves on the DePaul Board of Directors and volunteers for the cancer support network Friend for Life, and the Kentucky Cancer Pain Initiative Task Force. White received her education from Western Kentucky University, where she received a B.A. in English, and a M.P.S. Masters Degree in Counseling.

**Bruce Widener, Senior Vice President of Lightyear Direct/Data**

Bruce Widener, Senior Vice President of Lightyear Direct/Data Solutions, is one of the founding employees of Lightyear, Incorporated. In his position as Senior Vice President, Widener oversees Strategic Sales, National Sales for Lightyear Direct and Data Development, a division which combines Sales and Operations for all Lightyear's Data products. Widener joined Lightyear in 1993 and has served as Vice President of Marketing and Product Development, Vice President of Business Development, and Vice President of Network Services during his tenure here. Prior to joining Lightyear, Widener held positions at WorldTel Services, Litel/LCI International and Charter Network. Widener studied for his B.S. in Science at the University of Akron and Kent State University.

**Steve Seier, Senior Vice President**

A 15 year veteran of the information management industry, Steve Seier brings a wealth of technology experience to his position as Senior Vice President of Lightyear. He reports directly to Sherman Henderson, working to develop Lightyear's growing Strategic Sales division. In addition, Seier's group helps manage Lightyear's relationship with The Williams Companies, a strategic partner of Lightyear. Seier joined Lightyear in February of 1994 as the company's Vice President of Information Systems, where he had responsibility for evaluating and launching new products. Before joining Lightyear, Seier served as Vice President of Information Systems for Worldtel Services and Vice President of Omega Business Communications. He holds a B.S. in Computer Science and a Masters of Science in Information Systems from Colorado State University.

**LIGHTYEAR COMMUNICATIONS, INC.**  
**TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL, (Cont'd)**

**John Nierzwicki, Vice President of Sales**

John has devoted his career to building Telecommunications sales teams, and has plans to put his expertise to work as Vice President of Sales for the West Coast for Lightyear. In his position, he will oversee the performance of dozens of Lightyear Network Consultants, Directors, Regional Managers, and Account Managers nationwide. Nierzwicki graduated from Indiana University with a B.A. in Telecommunications, and began his career at TMC Long Distance in Ft. Wayne, Ind. He progressed to Sales Manager and Territorial Manager before the company was acquired by Charter Network of Louisville, Ky. He was promoted to Vice President of Sales under Charter, where he grew his region's sales significantly and negotiated the first Centrex marketing agreement with an Interexchange carrier and Ohio Bell. In 1990, he founded the company US Network where he sold Ohio Bell and Lightyear products, earning more than 6,000 customers and 60,000 lines under multiple-year agreements.

**Don Shurbet, Vice President, Xios Operations**

In his position with Lightyear Direct, Don Shurbet has the responsibility of planning, organizing, developing and controlling Xios operations. This includes project coordination, provisioning, installation, maintenance, special accounts and account managers of the Integrated Data Solutions effort. Prior to taking on this new position, he managed the administration for our Direct Sales operation. It's an area where he's had much experience. Before joining Lightyear, he served as President and Chief Operating Officer of Resource Companies, a medical staffing firm in Louisville, Ky. He also was Vice President of Administration for Charter Network, as well as Vice President of Operations for Jim Walter Corporation of Tampa, Fla. He holds his B.S. degree in Accounting at the University of Alabama in Birmingham.

**Patty Rabe, Vice President of Financial Services**

As Vice President of Financial Services, Patty has the responsibility for the normal operations of Credit and Collections functions and Audit and Compliance. She will be responsible for the implementation of a new automated collection system which will interface with our new billing system. Patty joined Lightyear in January 1997 as the Director of Audit and Compliance. Prior to joining Lightyear, Patty worked for 12 years in other accounting and I/S positions. Patty holds degrees in both Accounting and Information Systems from Bellarmine College here in Louisville, and holds an MBA from the University of Louisville.

**LIGHTYEAR COMMUNICATIONS, INC.**  
**TECHNICAL ABILITY AND RESUMES OF KEY PERSONNEL, (Cont'd)**

**Michael Johnson, Chief Technology Officer and Sr. Vice President of Network**

As Vice President of Engineering for Lightyear, Johnson is responsible for building Lightyear's facilities-based network, and engineering new communications solutions for customers from Lightyear's existing stable of resources. Johnson comes to Lightyear from Intermedia Communications, where he served as Director of Enhanced Data Services/Marketing and as Director of Wide Area Network Engineering. While at Intermedia, he was responsible for the development, design, and deployment of Intermedia's frame relay, ATM, Telemetry, VPDN, and DSL networks. Johnson was instrumental in the creation of Intermedia's open network architecture through the use of Network-to-Network Interconnections (NNIs) with other carriers, RBOCs, CLECs, and independents. Prior to joining Intermedia, Johnson was with WilTel. At WilTel, Johnson was responsible for the capacity planning and management of WilTel's frame relay networks. Prior to his planning responsibilities, he participated in many facets of Engineering including both design and field work. Johnson was involved with some of the industry's first SONET, WDM, public frame relay & ATM network deployments. Johnson holds both a Bachelor of Science in Electrical Engineering and a Master of Business Administration from Texas A&M University.

## **Exhibit E-1**

### **Current Financial Statements**

The audited financial statements of Lightyear Communications, Inc. are being filed under separate cover. These documents demonstrate Lightyear's financial ability to provide the proposed services. Lightyear is a privately-held corporation and as such its financial statements are not public information, but rather constitute confidential and proprietary information. This information is therefore submitted under seal. Lightyear respectfully requests that this confidential information not be provided to any party other than members of staff who need to review the material for evaluation of applicant's fitness to provide service.



**Exhibit E-2**

**Projected Financial Statements**

Lightyear Holdings, Inc.  
Income Statement

(Dollar in thousands)	2001	2002	2003
Description			
<b>REVENUE</b>			
Data	\$ 117,601	\$ 186,340	\$ 268,348
Local	\$ 57,565	\$ 97,144	\$ 140,224
Long Distance	\$ 131,829	\$ 135,250	\$ 129,253
Other	\$ 21,490	\$ 29,311	\$ 37,648
<b>TOTAL REVENUE</b>	<b>\$ 328,484</b>	<b>\$ 448,046</b>	<b>\$ 575,473</b>
<b>LINE COSTS</b>			
Data	\$ 64,281	\$ 86,503	\$ 115,454
Local	\$ 46,903	\$ 74,986	\$ 100,096
Long Distance	\$ 94,103	\$ 92,135	\$ 83,392
Lightyear Network	\$ 10,462	\$ 16,433	\$ 20,531
Other	\$ 20,200	\$ 27,553	\$ 35,389
<b>TOTAL LINE COSTS</b>	<b>\$ 235,950</b>	<b>\$ 297,611</b>	<b>\$ 354,863</b>
<b>GROSS MARGIN</b>	<b>\$ 92,534</b>	<b>\$ 150,435</b>	<b>\$ 220,610</b>
GM %	28.2%	33.6%	38.3%
COS %	71.8%	66.4%	61.7%
% Rev Growth	37.34%	36.40%	28.44%
<b>SG&amp;A</b>			
Commissions	\$ 19,289	\$ 19,473	\$ 20,810
Commission as % of Rev.	5.87%	4.35%	3.62%
SG&A (less commissions)	\$ 94,744	\$ 128,038	\$ 163,232
SG&A % of Rev.	28.84%	28.58%	28.36%
<b>TOTAL SG&amp;A (less Depr/Amort.)</b>	<b>\$ 114,033</b>	<b>\$ 147,511</b>	<b>\$ 184,042</b>
SG&A % (less Depr/Amort.)	34.71%	32.92%	31.98%
EBITDA	\$ (21,499)	\$ 2,924	\$ 36,568
Depreciation and Amort.	\$ 17,729	\$ 31,314	\$ 34,537
Total SG&A % of Rev.	40.11%	39.91%	37.98%
<b>EBIT</b>	<b>\$ (39,228)</b>	<b>\$ (28,390)</b>	<b>\$ 2,031</b>
<b>OTHER INC. &amp; (EXP.)</b>			
Interest Income	\$ 443	\$ 526	\$ 592
Interest Expense	\$ (13,821)	\$ (20,628)	\$ (22,902)
Interest Exp. - Subordinated Debt	\$ (4,700)	\$ (2,400)	\$ -
Gain/(Loss) on Affiliates			
<b>TOTAL OTHER INC. &amp; (EXP.)</b>	<b>\$ (18,078)</b>	<b>\$ (22,502)</b>	<b>\$ (22,310)</b>
<b>NET INCOME (LOSS)</b>	<b>\$ (57,306)</b>	<b>\$ (50,892)</b>	<b>\$ (20,279)</b>

(Dollar in thousands)

Description	2001	2002	2003
<b>Assets</b>			
<b>Current assets</b>			
Cash and equivalents	\$ 235	\$ 318	\$ 391
Accounts receivable, net	\$ 70,959	\$ 95,950	\$ 118,107
Notes receivable, net	\$ 4,000	\$ 4,000	\$ 3,546
Receivables from affiliates	\$ -	\$ -	\$ -
Prepaid expenses and other current assets	\$ 2,416	\$ 2,565	\$ 2,723
<b>Total current assets</b>	<b>\$ 77,610</b>	<b>\$ 102,832</b>	<b>\$ 124,766</b>
<b>Fixed assets</b>			
Property plant and equipment	\$ 95,743	\$ 114,028	\$ 126,028
Less: accumulated depreciation	\$ (25,569)	\$ (55,406)	\$ (88,651)
<b>Total fixed assets</b>	<b>\$ 70,174</b>	<b>\$ 58,622</b>	<b>\$ 37,377</b>
<b>Other assets</b>			
Goodwill	\$ 9,739	\$ 9,739	\$ 9,739
Organization costs	\$ 69	\$ 69	\$ 69
Trademarks	\$ -	\$ -	\$ -
Accumulated amortization	\$ (7,040)	\$ (8,517)	\$ (9,808)
Other non-current assets	\$ 478	\$ 526	\$ 579
<b>Total other assets</b>	<b>\$ 3,246</b>	<b>\$ 1,817</b>	<b>\$ 578</b>
<b>Total assets</b>	<b>\$ 151,030</b>	<b>\$ 163,271</b>	<b>\$ 162,722</b>
<b>Liabilities and Stockholders' Equity</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 40,228	\$ 51,323	\$ 58,193
Notes payable	\$ 1,562	\$ 123	\$ -
Excise tax payable	\$ 2,535	\$ 3,427	\$ 4,219
Payroll & payroll tax payable	\$ 4,242	\$ 5,949	\$ 7,323
Commission payable	\$ 1,967	\$ 2,006	\$ 2,141
Unearned income - agent fees	\$ 602	\$ 302	\$ 2
Dividend payable	\$ -	\$ -	\$ -
Other accrued liabilities	\$ 20,005	\$ 17,422	\$ 21,445
<b>Total current liabilities</b>	<b>\$ 71,141</b>	<b>\$ 80,552</b>	<b>\$ 93,322</b>
<b>Long-term liabilities</b>			
Notes payable - line of credit	\$ 150,507	\$ 244,424	\$ 251,455
Notes payable - line of credit	\$ 57,000	\$ 57,000	\$ 57,000
WC Equity Facility	\$ -	\$ -	\$ -
Other Capex/Working Facility	\$ 93,507	\$ 187,424	\$ 194,455
Notes payable - convertible	\$ 40,000	\$ -	\$ -
Notes payable - Bank One	\$ 123	\$ -	\$ -
Other deferred credits	\$ 179	\$ 107	\$ 36
Unearned income	\$ -	\$ -	\$ -
<b>Total Long-term liabilities</b>	<b>\$ 190,808</b>	<b>\$ 244,531</b>	<b>\$ 251,491</b>
<b>Total liabilities</b>	<b>\$ 261,950</b>	<b>\$ 325,083</b>	<b>\$ 344,813</b>
<b>Stockholders' Equity (Deficit)</b>			
Common stock	\$ 9,088	\$ 9,088	\$ 9,088
Preferred stock/Paid in capital	\$ 26,842	\$ 26,842	\$ 26,842
Dividend Expense	\$ -	\$ (408)	\$ (408)
Retained earnings (accumulated deficit)	\$ (89,136)	\$ (146,442)	\$ (197,334)
Retained earnings (accumulated deficit) - current	\$ (57,306)	\$ (50,892)	\$ (20,279)
<b>Total stockholders equity</b>	<b>\$ (110,920)</b>	<b>\$ (161,812)</b>	<b>\$ (182,091)</b>
<b>Total liabilities and stockholders equity</b>	<b>\$ 151,030</b>	<b>\$ 163,271</b>	<b>\$ 162,721</b>

Lightyear Holdings, Inc.  
Cash Flow Statement

(Dollar in thousands)	2001	2002	2003
<b>Cash Flow from Operations</b>			
Net Income (loss)	\$ (57,306)	\$ (50,892)	\$ (20,279)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation/Amortization	\$ 17,729	\$ 31,314	\$ 34,537
Accretion of deferred agent fees			
Decrease (increase) in accounts receivable	\$ (20,103)	\$ (24,990)	\$ (22,157)
Decrease (increase) in notes receivable from agents	\$ -	\$ -	\$ 454
(Increase) decrease in other assets			
Decrease (increase) in notes receivable from related parties	\$ -	\$ -	\$ -
Decrease (increase) in prepaid expenses and other assets	\$ (326)	\$ (197)	\$ (211)
(Decrease) increase in accounts payable	\$ 8,265	\$ 11,095	\$ 6,869
Increase (decrease) in accrued agent commissions	\$ 49	\$ 39	\$ 135
Increase (decrease) in deferred agent fees	\$ (300)	\$ (300)	\$ (300)
Increase (decrease) in other accrued liabilities	\$ 7,920	\$ (56)	\$ 6,117
<b>Net cash provided by (used in) operations</b>	<b>\$ (44,073)</b>	<b>\$ (33,987)</b>	<b>\$ 5,165</b>
<b>Cash Flow from Investing</b>			
Purchase of property and equipment	\$ (24,978)	\$ (18,285)	\$ (12,000)
Decrease (increase) in other assets			
<b>Net cash provided by (used in) investing</b>	<b>\$ (24,978)</b>	<b>\$ (18,285)</b>	<b>\$ (12,000)</b>
<b>Cash Flow from Financing</b>			
Debt financing - net borrowings	\$ 73,437	\$ 93,917	\$ 7,031
Repayment of short-term debt	\$ (207)	\$ (1,439)	\$ (123)
Repayment of long-term debt	\$ (4,044)	\$ (40,123)	\$ -
Proceeds from issuance of capital stock	\$ -	\$ -	\$ -
<b>Net cash provided by (used in) financing</b>	<b>\$ 69,186</b>	<b>\$ 52,355</b>	<b>\$ 6,908</b>
<b>Cash, BOP</b>	<b>\$ 100</b>	<b>\$ 235</b>	<b>\$ 318</b>
<b>Net Change in Cash</b>	<b>\$ 135</b>	<b>\$ 83</b>	<b>\$ 73</b>
<b>Cash, EOP</b>	<b>\$ 235</b>	<b>\$ 318</b>	<b>\$ 391</b>

## **Exhibit F**

### **Small & Minority-Owned Telecommunications Business Participation Plan**

**LIGHTYEAR COMMUNICATIONS, INC.**

**TENNESSEE  
SMALL AND MINORITY-OWNED TELECOMMUNICATIONS  
BUSINESS  
PARTICIPATION PLAN**

**SUBMITTED TO  
TENNESSEE REGULATORY AUTHORITY**

**November, 2000**

SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS  
PARTICIPATION PLAN

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**SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS  
PARTICIPATION PLAN**

1. PURPOSE

- 1.1 This small and minority-owned telecommunications business participation plan ("Plan") is submitted by Lightyear Communications, Inc. ("Lightyear") as required by T.C.A. §65-5-212.
- 1.2 The administration of this Plan is the responsibility of Lightyear Communications, Inc.

2. DEFINITIONS

- 2.1 Lightyear Communications, Inc. is a private corporation who resells interexchange telecommunication services in the state of Tennessee. They are based in Louisville, Kentucky and have no employees, property, or equipment in Tennessee at this time.
- 2.2 As a competitive vendor of telecommunications service, Lightyear is non-dominant in its industry. The nature of Lightyear's business limits their opportunity to support the use of Small and Minority Business in Tennessee. However, let the submission of this Plan evidence their desire to participate as practically possible.
- 2.3 Small and Minority Business - For the purpose of this Plan, "minority business" means a business that is solely owned, or at least fifty-one (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of such business and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000) per T.C.A. §65-5-212.

3. LIGHTYEAR'S RESPONSIBILITY FOR SMALL AND MINORITY-OWNED TELECOMMUNICATION BUSINESS PARTICIPATION PLAN AND POLICY STATEMENT

- 3.1 Lightyear intends to afford Small and Minority-Owned Telecommunications Businesses the maximum practicable opportunity to participate in the performance of contracts in accordance with T.C.A. §65-5-212.
- 3.2 Lightyear is a provider of telecommunications service whose business operations include:
  - Sale and Marketing of Telecommunications Services
  - Customer Care
  - Lightyear uses vendors and suppliers to support their business in the following areas:
    - Telecommunications Service Providers
    - Sales Agents of Telecommunications Services
    - Telecommunications Billing and Collection Services
- 3.3 Linda Hunt, Regulatory Manager would coordinate Small and Minority-Owned Telecommunications Business referrals.



3. Continued

- 3.4 Initial Small and Minority-Owned Telecommunications Business contacts for Lightyear would be made through their Coordinator who will seek to identify and include firms in Tennessee through the Department of Economic and Community Development's office of Minority Business Enterprise and Small Business office.

4. SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN PERIOD OF EFFECTIVENESS

- 4.1 Lightyear will maintain a pro-active and continuous approach toward inclusion of such firms in their supplier base. Consequently, their Plan and the associated duties and activities would not have a fixed time period for effectiveness, but rather represent Lightyear's ongoing policies and procedures. At present, Lightyear has no physical presence in Tennessee. When and if their business condition changes in Tennessee, the effectiveness of this Plan would be enhanced.

5. PLAN ADMINISTRATION

- 5.1 Lightyear's Plan Administrator is: Linda Hunt, Manager of Regulatory Affairs  
Lightyear Communications, Inc.  
1901 Eastpoint Parkway  
Louisville, Kentucky 40223  
Telephone: (502) 244-6666, Ext. 1019  
Facsimile: (502) 515-4138
- 5.2 The Administrator manages the Plan, as described below in the Administrator's duties. The Administrator has direct interface with procurement personnel, contract administrators, and program and project personnel to ensure compliance with the provisions of the Plan.
- 5.3 The Administrator's specific job duties, as they relate to this Plan and Lightyear's business operations in the state of Tennessee, are as follows:
- (a) Developing and maintaining Lightyear's Supplier Master List which would include a listing of Small and Minority-Owned Telecommunications Businesses in Tennessee who are deemed eligible to be suppliers for Lightyear.
  - (b) Reviewing Lightyear policies and procedures to ensure that Small and Minority-Owned Telecommunications Businesses in Tennessee have an equitable opportunity to be awarded contracts when possible.
  - (c) Allowing for inclusion of Small and Minority-Owned Telecommunications Businesses in those solicitations for products or service which they are capable of providing.
  - (d) Coordinating activities during the conduct of any compliance review by Tennessee state agencies.
  - (e) Preparing and submitting periodic contracting reports as required.

6. PLAN TO ASSURE EQUITABLE OPPORTUNITY

- 6.1 The Administrator shall ensure that appropriate source listings and services are properly utilized in support of the Plan. Sources/listings include but are not limited to the following:
- (a) The Lightyear approved Master Supplier List.
  - (b) Sourcing information received from the Department of Economic and Community Development's Office of Minority Business Enterprise and Small Business Office in Nashville.
- 6.2 Outreach efforts will be made as follows:
- (a) The Administrator shall cultivate and maintain a relationship with the Community Development's Office of Minority Business Enterprise and Small Business Office in an effort to locate and qualify capable Small and Minority-Owned Telecommunications Businesses for participation in contracting opportunities.
  - (b) The Administrator shall ensure that Lightyear provides adequate and timely consideration of the potentialities of Small and Minority-Owned Telecommunications Businesses in "make-or-buy" decisions.
  - (c) The Administrator shall ensure that Lightyear counsels and discusses contracting opportunities with representatives of Small and Minority-Owned Telecommunications Businesses.
  - (d) The Administrator shall ensure that Lightyear offers assistance to Small and Minority-Owned Telecommunications Businesses to explain: requests for quotations, progress payments, technical and quality assurance programs, advice on types of business typically being contracted, and the mechanics of procurement requirements and quality expectations.

7. PLAN REPORTING

- 7.1 Lightyear will submit such periodic reports and cooperate in those studies or surveys as may be required to determine the extent of compliance with this Plan.
- 7.2 Lightyear Supplier Master List will identify Small and Minority-Owned Telecommunications Businesses in Tennessee. The Supplier Master List shall be utilized in identifying potential contractors.

**Exhibit G**

**Notice of Filing**

**BEFORE THE  
TENNESSEE REGULATORY AUTHORITY**

<b>In the matter of the Application of</b>	)	
<b>Lightyear Communications, Inc. to</b>	)	
<b>Provide Facilities Based Local and</b>	)	<b>Docket No. _____</b>
<b>Long Distance Telecommunications</b>	)	
<b>Services in Tennessee</b>	)	

**NOTICE OF AVAILABILITY OF APPLICATION**

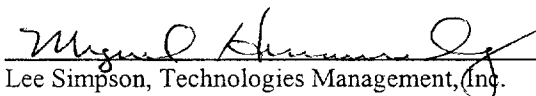
On November 2, 2000, Lightyear Communications, Inc. filed an application for a Certificate to Provide facilities-based local and long distance telecommunications services in Tennessee. The application and attachments are available to interested parties upon request. Please contact Technologies Management, Inc. if you wish to receive a copy.

Technologies Management, Inc.  
P.O. Drawer 200  
Winter Park, FL 32790-0200  
(407) 740-8575  
(407) 740-0613 (fax)

### CERTIFICATE OF SERVICE

I hereby certify that on this 2<sup>nd</sup> day of November, 2000, I caused to be served a copy of the application of Lightyear Communications, Inc. for a Certificate to Provide Competing Long Distance and Local Telecommunications service upon those companies listed below, by first class mail, postage prepaid, or equivalent service.

- |   |   |
|---|---|
| 1. Ardmore Telephone Company, Inc.<br>P.O. Box 549<br>517 Ardmore Avenue<br>Ardmore, TN 38449                           | 10. Sprint-United<br>112 Sixth Street<br>Bristol, TN 37620  |
| 2. BellSouth Telecommunications, Inc.<br>333 Commerce Street<br>Nashville, TN 37201-3300                                | 11. TDS Telecom-Concord Telephone<br>Exchange, Inc.<br>P.O. Box 22610<br>701 Concord Road<br>Knoxville, TN 37933-0610       |
| 3. Century Telephone of Adamsville<br>P.O. Box 405<br>115 N. Oak Street<br>Adamsville, TN 38310                         | 12. TDS Telecom-Humphreys County<br>Telephone Company<br>P.O. Box 552<br>203 Long Street<br>New Johnsonville, TN 37134-0552 |
| 4. Century Telephone of Claiborne<br>P.O. Box 100<br>507 Main Street<br>New Tazewell, TN 37825                          | 13. TDS Telecom-Tellico Telephone<br>Company, Inc.<br>P.O. Box 9<br>102 Spence Street<br>Tellico Plains, TN 37385-0009      |
| 5. Century Telephone of<br>Ooltewah-Collegedale, Inc.<br>P.O. Box 782<br>5616 Main Street<br>Ooltewah, TN 37363         | 14. TDS Telecom-Tennessee Telephone<br>Company<br>P.O. Box 18139<br>Knoxville, TN 37928-2139                                |
| 6. Citizens Communications Company<br>of Tennessee<br>P.O. Box 770<br>300 Bland Street<br>Bluefield, WV 24701           | 15. TEC-Crockett Telephone Company, Inc.<br>P.O. Box 7<br>Friendship, TN 38034  |
| 7. Citizens Communications Company<br>of the Volunteer State<br>P.O. Box 770<br>300 Bland Street<br>Bluefield, WV 24701 | 16. TEC-People's Telephone Company, Inc.<br>P.O. Box 310<br>Erin, TN 37061  |
| 8. Loretto Telephone Company, Inc.<br>P.O. Box 130<br>Loretto, TN 38469   | 17. TEC-West Tennessee Telephone<br>Company, Inc.<br>P.O. Box 10<br>244 Main Street<br>Bradford, TN 38316                   |
| 9. Millington Telephone Company, Inc.<br>P.O. Box 429<br>4880 Navy Road<br>Millington, TN 38083-0429                    | 18. United Telephone Company<br>P.O. Box 38<br>120 Taylor Street<br>Chapel Hill, TN 37034                                   |

for   
Lee Simpson, Technologies Management, Inc.

## **Exhibit H**

### **Toll Dialing Parity Plan**

**LIGHTYEAR INTEGRATED COMMUNICATIONS, INC.**  
**DIALING PARITY PLAN**

**1. OBJECTIVE/PURPOSE**

The intent of this Dialing Parity Plan is to permit Customers to route intraLATA toll calls automatically, without the use of access codes, to any interexchange carrier ("IXC") of the customer's choice that has established itself as an access customer under Lightyear's Access Services Tariff.

**II. IMPLEMENTATION SCHEDULE**

Lightyear anticipates providing local exchange service in Tennessee in approximately March, 2001. Any carrier desiring to provide intraLATA toll service should provide Lightyear a list of exchanges within each LATA in which it plans to offer service. Lightyear needs notification to include the carrier on the list of participating carriers in each Lightyear exchange. Each certified carrier that enters a LATA within which Lightyear is providing local exchange service will be added to the list of participating carriers after notifying Lightyear of its intent to provide intraLATA toll services in that LATA, provided that the carrier has ordered access.

**III. CARRIER SELECTION PROCEDURES**

Lightyear will implement a full 2-PIC carrier selection methodology. With the full 2-PIC methodology for interLATA and intraLATA presubscription, customers will be able to presubscribe to the same, or a different participating telecommunications carrier for intraLATA and interLATA toll calls.

Customers of Lightyear will affirmatively choose both an interLATA and intraLATA carrier when they sign a letter of authorization to receive switched local exchange service from Lightyear. Company employees who communicate with the public, accept orders and serve in customer service capacities are trained to explain to customers the availability of 2-PIC equal access, and to assist customers in making an initial PIC choice or in changing a PIC choice for intraLATA and interLATA toll calls.

#### **IV. NEW CUSTOMERS**

Customers who contact Lightyear requesting new telephone exchange service will be informed of the opportunity to choose both an intraLATA and interLATA PIC. If requested by the customer, Lightyear will provide a list of telecommunications carriers, including Lightyear, that are access customers and are maintaining a relationship with Lightyear pursuant to the provisions of the Company's Access Services Tariff. The list of intraLATA toll carriers will be presented in a competitively neutral manner to new Customers who do not make a positive choice for an intraLATA carrier. Until a new customer, or a customer ordering a new line makes a selection, the customer will be assigned a "no-PIC" and will have to dial an access code to make intraLATA calls. New customers will have 30 days from the date they order local exchange service to make their free selection. No charge applies to PIC selections made within this time limit. After the time limit expires, the tariffed rate for PIC changes will apply.

#### **V. EXISTING CUSTOMERS**

Lightyear has not begun local operations in Tennessee and, thus, has no existing Customer base. Lightyear proposes to provide intraLATA equal access as a feature of the Company's Tennessee local exchange service upon launch of that service. Therefore, no notification to existing Customers is required.

#### **VI. CARRIER NOTIFICATION**

Interexchange carriers that desire to become access Customers must notify Lightyear via letter or telephone call of their desire to obtain Exchange Access Service information or by completing an Access Service Request ("ASR") form. Lightyear will send each requesting carrier an information package describing Lightyear's service, processes and applicable tariffs. Once Lightyear receives and processes an IXC's Access Service Request, that carrier will be added to the list of participating carriers made available to a requesting Customer trying to choose a PIC. Lightyear will provide notice of those switches available for exchange access services to IXCs by identifying those switches in NECA Tariff FCC No. 4. In addition, Lightyear will include a list of available switches in its information package provided to each IXC in response to an inquiry.



## **VII. PIC FREEZES**

The Company will not market intraLATA PIC freezes to customers before or during the 90-day grace period for PIC selection pursuant to paragraph VI above. PIC freezes may be provided at any time upon the customer's request.

PIC freezes may be removed with the use of a three-way call between the customer, the company and the carrier. Carriers must still follow FCC and Tennessee Regulatory Authority procedures for PIC changes (e.g., independent third party verification, written letter of agency, electronic authorization).

## **VIII. ANTI-SLAMMING PROCEDURES**

1. Lightyear customers affirmatively choose both an interLATA and intraLATA carrier when they sign a letter of authorization to receive switched local exchange service from Lightyear. Customers make this selection through their own initiative or as a result of the promotional marketing activities of participating intraLATA toll telecommunications carriers. Customers may communicate their choice of carriers directly to Lightyear or indirectly through their selected carriers.
2. Commission authorization as a certificated intraLATA toll provider is required for a carrier to be placed on an alphabetical list of carriers willing to accept one-plus intraLATA toll traffic within a particular area.
3. The company will report any inappropriate business practices relating to intraLATA presubscription to the Tennessee Regulatory Authority.
4. The company retains verified LOAs for PIC changes for a period of no less than two years. The company also instructs interexchange carriers that they should make available recordings of third party verifications upon request.

## **IX OTHER REQUIREMENTS**

1. A toll free number will be made available to customers to contact the Company for a list of available intraLATA toll providers.
2. The Company will implement this plan no later than thirty (30) days after approval of the Company's application for CLEC and IXC authority by the Tennessee Regulatory Authority, and the start-up of operations.
3. The Company will provide nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listings.
4. The company will comply with all rules of the FCC and the Tennessee Regulatory Authority.

**Exhibit I**

**Prefiled Testimony**

**BEFORE THE  
TENNESSEE REGULATORY AUTHORITY**

In re: Application of	)	
<b>Lightyear Communications, Inc.</b>	)	TRA Docket No. 00-_____
For A Certificate to Provide Facilities-Based	)	
Interexchange Telecommunications Services and	)	
Competing Local Exchange Telecommunications	)	
Services in Tennessee	)	

**TESTIMONY OF JOHN J. GREIVE  
ON BEHALF OF  
LIGHTYEAR COMMUNICATIONS, INC.**

1 I, John J. Greive, do hereby testify as follows in support of the application of Lightyear  
2 Communications, Inc. ("Lightyear") for a Certificate of Convenience and Necessity as a competing  
3 telecommunications services provider to provide facilities-based long distance and local exchange  
4 telecommunications services throughout the State of Tennessee.

5  
6 **Q. Please state your name and business address.**

7 A. My name is John J. Greive. My business address is 1901 Eastpoint Parkway, Louisville,  
8 Kentucky 40223.

9  
10 **Q. By whom are you employed and in what capacity?**

11 A. I am employed by Lightyear Communications, Inc., and hold the position of Director of  
12 Legal Services and General Counsel.

13  
14 **Q. Please give a brief description of your background and experience.**

15 A. Prior to joining Lightyear in July, 1996, I maintained a general practice as a partner with  
16 Chandler, Saksetski and Greive. I also worked as an associate in the corporate section of a  
17 mid-sized firm in Louisville, Kentucky.

18  
19 **Q. What is the purpose of your testimony?**

20 A. The purpose of my testimony is to present evidence describing the technical, managerial and  
21 financial fitness of Lightyear Communications, Inc. to provide Facilities-Based Local  
22 Exchange Service and Long Distance Service in Tennessee. This testimony will also describe  
23 the services proposed by Lightyear Communications, Inc. and the proposed tariff structure.  
24 Finally, the purpose of my testimony is to show that the public interest will be served by  
25 approval of the application of Lightyear Communications, Inc. for a certificate of public  
26 convenience and necessity to provide facilities-based service.

1     **Q.     Has Lightyear registered to do business in Tennessee?**

2     A.     Yes. The Applicant is a Kentucky Corporation, authorized by the Tennessee Secretary of  
3             State to transact business in the State of Tennessee. Registration to conduct business in  
4             Tennessee was provided in Exhibit C of the application package.

5  
6             Lightyear Communications, Inc. is a privately held corporation. It was originally  
7             incorporated under the laws of the state of Kentucky as UniDial Incorporated on February  
8             23, 1993. The Company subsequently changed its name to UniDial Communications, Inc.  
9             UniDial Communications, Inc. recently became Lightyear Communications, Inc. on May 4,  
10            2000. The Company filed notification of its name change with the Tennessee Regulatory  
11            Authority on June 6, 2000. Lightyear is a wholly owned subsidiary of Lightyear Holdings,  
12            Inc.

13  
14    **Q.     Has Lightyear previously obtained authority in Tennessee?**

15    A.     Yes. The Company was granted authority to provide resold long distance services in  
16             Tennessee on July 13, 1995, in Case No. 95-02612. In addition, the Company received  
17             approval to provide resold local service on January 12, 1999, in Case No. 98-00674.

18  
19    **Q.     Please describe the services Lightyear proposes to offer.**

20    A.     Lightyear proposes to offer facilities-based local exchange telecommunications services  
21             primarily to business customers throughout the state using unbundled network element  
22             platforms ("UNE-P"). Local Exchange Services include basic local service, PBX Trunk  
23             service, Direct Inward Dialing, Optional Calling Features and listing services. The Company  
24             will offer service in conjunction with resold interexchange toll services which the company  
25             is already authorized to provide in the state of Tennessee. In this proceeding, Lightyear is  
26             also seeking authority to offer its interexchange services over its own facilities.

1 Lightyear offers interexchange inbound and outbound telecommunications services to  
2 business customers, utilizing switched and dedicated access. Switched service is available  
3 on a presubscription basis from equal access originating end offices. Lightyear also offers  
4 operator assisted services to its own customers. The Company is developing service  
5 packages consisting of local and long distance service together with enhanced services such  
6 as voice mail.

7  
8 All services are available twenty-four (24) hours per day, seven (7) days a week. Long  
9 distance service is offered as an add-on to Lightyear local service. The Applicant will  
10 commence offering services via its own and leased network facilities following the granting  
11 of this application. Lightyear has established a resale agreement with BellSouth, and has  
12 also signed an interconnection agreement, which is to be filed with the Commission for  
13 approval in the very near future.

14  
15 **Q. How will Lightyear bill for its services?**

16 A. Lightyear Communications, Inc. bills customers directly.  
17

18 **Q. How are trouble reports, billing errors and complaints handled?**

19 A. Lightyear Communications, Inc. provides its own Customer Service to Customers whom the  
20 Company bills directly. The Customer Service Department is open twenty-four (24) hours  
21 a day, seven (7) days a week. The Company's nationwide toll free number (800) 393-7300  
22 or (877) 295-4200 for customer service. In addition, Customers may contact the Company  
23 in writing at the headquarters address.  
24

1 **Q. Where is Lightyear currently certificated?**

2 A. Lightyear Communications, Inc. currently holds Certificates of Public Convenience and  
3 Necessity or has met entry requirements for the provision of interexchange  
4 telecommunications service in every state except Alaska. In addition, the Company is  
5 authorized to offer either resold or facilities-based local exchange services, or both, in  
6 Alabama, California, Delaware, Florida, Georgia, Kentucky, Illinois, Indiana, Louisiana,  
7 Michigan, Mississippi, New Jersey, New York, North Carolina, Ohio, Pennsylvania,  
8 Tennessee, Vermont, Virginia, Washington D.C., West Virginia, and Wisconsin. The  
9 Company has applications pending in additional states as part of its strategy to offer resold  
10 and facilities-based interexchange and local services nationwide.  
11

12 **Q. Describe Lightyear's financial ability to operate as a local service provider.**

13 A. Lightyear Communications, Inc. has a solid financial base from which to begin operations  
14 as a resale and facilities-based provider of telecommunications services. A Statement of  
15 Financial Capability is included in the Company's application along with the Company's  
16 Financial Statements.  
17

18 **Q. Does Lightyear have the managerial and technical qualifications to provide local  
19 service in Tennessee?**

20 A. Yes. Lightyear has a very strong and experienced management team. Biographies of key  
21 executives and technical personnel have been included with the Company's application.  
22

23 **Q. Where in Tennessee does Lightyear intend to offer its services?**

24 A. Local exchange service will be offered within the present operating areas of BellSouth within  
25 Tennessee and long distance service is currently offered throughout the State of Tennessee.  
26 As noted previously, Lightyear has authority to provide resold long distance and local  
27 exchange services in Tennessee.



1     **Q.     How will Tennessee consumers benefit from Lightyear's services?**

2     A.     Certification of Lightyear Communications, Inc. will serve the public interest and offer  
3           several benefits to local and long distance customers in Tennessee. First and foremost,  
4           Lightyear will offer its customers the ability to have seamless service for local services as  
5           well as intrastate, interstate and international toll services.

6  
7     **Q.     Why is Lightyear seeking facilities-based authority in Tennessee? Will Lightyear use**  
8     **any public rights-of-way?**

9     A.     Initially, Lightyear plans to purchase unbundled network elements (UNE) from the ILEC to  
10           use in conjunction with its own switch. The ILEC will recombine UNEs via an arrangement  
11           known as UNE-P (Unbundled Network Element- Platform). Since Lightyear has no  
12           immediate plans to deploy cable or fiber, it does not foresee using public rights-of-way in  
13           the next two quarters. However, Lightyear does request the Commission's consent to use  
14           public rights-of-way pursuant to applicable laws for possible future installations.

15  
16    **Q.     Does this conclude your testimony?**

17    A.     Yes.